
A BILL FOR AN ACT

RELATING TO THE MAJOR DISASTER FUND.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the State is
2 vulnerable to a wide range of natural and man-made hazards,
3 which may result in emergencies or disasters that: threaten the
4 life, health, and safety of its people; damage and destroy
5 property; disrupt everyday services, business, and recreational
6 activities; and impede economic development. Last year,
7 tropical storm Iselle alone cost the State \$1,300,000 in
8 response costs and has a reported \$13,200,000 in damage and
9 debris expenses. According to county officials, as of October
10 2014, the Puna lava flow on the island of Hawaii has caused
11 \$14,500,000 in damages, primarily because of construction costs
12 for emergency access roads. The latest project, reopening Chain
13 of Craters road, could cost between \$12,000,000 and \$15,500,000.
14 The purpose of this Act is to adequately prepare Hawaii for
15 the next major disaster by increasing the expenditure ceiling on
16 major disaster fund moneys.

17 SECTION 2. Section 127A-16, Hawaii Revised Statutes, is
18 amended to read as follows:



1 " ~~[§127A-16]~~ **Major disaster fund.** (a) The director
2 shall submit requests to the legislature to appropriate from the
3 general revenues of the State sufficient moneys as may be
4 necessary for expenditure by or under the direction of the
5 governor for immediate relief in response to an emergency or
6 disaster in any part of the State; provided that:

7 (1) The governor has issued a proclamation of a state of
8 emergency;

9 (2) The governor may not expend in excess of [~~\$2,000,000~~]
10 \$10,000,000 for immediate relief as a result of any
11 single emergency or disaster; and

12 (3) In addition to the funds in paragraph (2), an
13 additional [~~\$2,000,000~~] \$10,000,000 may be made
14 available solely for the purpose of matching federal
15 disaster relief funds when these funds become
16 available to the State following a presidential
17 disaster declaration.

18 In expending the moneys, the governor may allot any portion
19 thereof to any agency, office, or employee of the State or a
20 county for the most efficient relief for the population.

21 Notwithstanding this subsection, the only exception to



1 [+]paragraphs (1),[+] (2), and (3) is that the director may use
2 up to \$100,000 per year to support emergency reserve corps
3 training.

4 (b) No later than one month after any allotment by the
5 governor or the expenditure of any fund moneys, the director
6 shall report to the legislature on the purpose of the allotment
7 or expenditure.

8 ~~[(b)]~~ (c) Federal reimbursement moneys for disaster relief
9 shall be deemed to be trust moneys and may be deposited into a
10 trust account with and under the control of the department of
11 defense. These moneys and any interest earned thereon shall be
12 used for the purpose identified in subsection (a) and shall not
13 lapse to the general fund."

14 SECTION 2. Statutory material to be repealed is bracketed
15 and stricken. New statutory material is underscored.

16 SECTION 3. This Act shall take effect on July 1, 2050.



Report Title:

Major Disaster Fund; Expenditure Ceiling; Increase; Reports

Description:

Increases the expenditure ceiling on major disaster fund moneys.
Requires the adjutant general to report any allotment of fund moneys or any expenditure of fund moneys to the legislature within one month of the allotment or expenditure. Effective 7/1/2050. (SD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.



STATE OF HAWAII
DEPARTMENT OF DEFENSE

TESTIMONY ON SENATE BILL 1211 SD1
A BILL RELATING TO THE MAJOR DISASTER FUND

PRESENTATION TO
THE HOUSE COMMITTEE ON PUBLIC SAFETY

BY
BRIGADIER GENERAL ARTHUR J. LOGAN
ADJUTANT GENERAL
AND DIRECTOR OF THE HAWAII EMERGENCY MANAGEMENT AGENCY
March 19, 2015

Chair Takayama, Vice Chair Yamashita and Members of the House Committee on Public Safety:

I am Brigadier General Arthur J. Logan, State Adjutant General and the Director of the Hawaii Emergency Management Agency. I am testifying in **SUPPORT** of Senate Bill 1211 SD1.

This measure seeks to increase the expenditure ceiling of the major disaster fund. This fund is used by the governor on both direct costs for a disaster and to provide a local cost share for federal reimbursements for disaster costs.

The current ceiling is two million dollars as set in HRS 127A-16 is low. The cost of the Hawaii Emergency Management Agency's response to the recent Hawaii Island disasters is approaching this ceiling limit. There could be a very quick drain of the fund if there is a large hurricane or tsunami event.

The Hawaii Emergency Management Agency proposes increasing the ceiling amount to 10 million dollars. This new ceiling amount sets the upper limit of funds the Governor may allocate to a single disaster. There is no cost to the State unless a disaster occurs and there is a need to expend funds. At the end of fiscal year, unused funds are returned to the general fund.

Thank you for allowing me to testify in **SUPPORT** of Senate Bill 1211 SD1.

STATE OF HAWAII
DEPARTMENT OF DEFENSE
HAWAII EMERGENCY MANAGEMENT AGENCY

TESTIMONY ON SB 1211

PRESENTATION TO THE HOUSE COMMITTEE ON PUBLIC SAFETY

BY

DOUG MAYNE
ADMINISTRATOR OF EMERGENCY MANAGEMENT
March 17th, 2015

Chair Takayama, Vice Chair Yamashita and Members of the Committee.

I am Doug Mayne and I am the Administrator of the Hawaii Emergency Management Agency. I am testifying in **SUPPORT** to SB 1211 SD1.

Senate Bill 1211 increases the amount of the major disaster fund that the governor may spend on both direct costs for a disaster and to provide a local cost share for federal reimbursements for disaster costs.

The limit of \$2 million dollars in each category currently set in HRS 127A-16 is too low. Response costs for state government during Hurricane Iselle and for the Puna lava flow have come close to reaching the maximum allowed under the law, and these are both small-scale disasters. A large scale disaster will see state costs of hundreds of millions of dollars.

I recommend increasing the limit in HRS 127A-16 to \$10 million for immediate relief as a result of any single emergency (127A-16(a)(2) and \$10 million for the purpose of matching federal disaster relief funds (127A-16(a)(3). As this only sets the upper limits that the governor may allocate and does not appropriate funding, there is no increased cost to the state unless a disaster occurs that exceeds the current limits.

Thank you for allowing me to testify in **SUPPORT** to SB 1211 SD1.

DAVID IGE
GOVERNOR



CATHERINE PAYNE
CHAIRPERSON

STATE OF HAWAII
STATE PUBLIC CHARTER SCHOOL COMMISSION
(‘AHA KULA HO‘ĀMANA)

<http://CharterCommission.Hawaii.Gov>
1111 Bishop Street, Suite 516, Honolulu, Hawaii 96813
Tel: (808) 586-3775 Fax: (808) 586-3776

FOR: SB1211 SD1 Relating to Major Disaster Fund
DATE: Thursday, March 19, 2015
TIME: 10:05 a.m.
COMMITTEE(S): House Committee on Public Safety
ROOM: Conference Room 309
FROM: Tom Hutton, Executive Director
State Public Charter School Commission

Chair Takayama, Vice Chair Yamashita, and members of the Committee:

The State Public Charter School Commission (“Commission”) appreciates the opportunity to submit this testimony in support of this measure, which would increase the expenditure ceiling for the state emergency relief available to assist with any one natural disaster using the Major Disaster Fund established under Section 127A-16, Hawaii Revised Statutes. This bill could serve as a critically needed vehicle for providing assistance to public charter schools on the island of Hawaii that have been impacted by the Puna lava flow.

Due to the uncertainty of this natural disaster, the nature and full extent of the resulting impacts and costs of the lava flow are as yet unknown, but the charter school sector currently lacks funding sources that can be directed or diverted to emergency purposes akin to the impressive school relocation efforts that have been implemented by the Department of Education (“DOE”) as to DOE schools in the area.

Another bill, Senate Bill 600, would have appropriated emergency funds to assist two such charter schools—Kua o ka Lā New Century Public Charter School (“Kua o ka La”) and the Hawaii Academy of Arts & Science Public Charter School (“HAAS”)—for costs associated with the threat of lava flow on the island of Hawaii. However, that bill has not advanced, and the Major Disaster Fund has been discussed as an alternative for addressing this problem.

Both HAAS and Kua o ka La report lower than projected enrollment as residents relocate away from the area. The main campus of HAAS is in the direct path of the flow in Pahoa. Depending on the flow, it is possible that HAAS could lose the use of this facility. Alternative sites on both sides of the projected flow, even to avoid disruption of service to students during the current school year, would require facilities investment or at least retrofitting for school purposes, as well as additional staffing costs.

The impact to Kua o Ka La, the main campus of which is located on the coast south of Pahoa, so far has been in the form of costs associated with expanding its Hilo site in anticipation of some students being cut off from access to the main campus. The school also is concerned about a potential influx of students, depending on the trajectory of the flow and its impact on transportation and roads.

A third charter school, Na Wai Ola Public Charter School in Mountain View, is more distant from the lava flow but has reported that it already has experienced an influx of students, with the potential for more students in excess of the school's capacity, as a result of families relocations because of the flow.

The Commission has submitted information of the situation to the Office of the Governor and highlighted both the Major Disaster Fund generally as a potential source of relief and the movement of this measure in particular as a means of strengthening that potential. We would respectfully request that this Committee revise the bill's findings language to add an express reference to the need for this means of providing emergency relief to public charter schools that are experiencing negative impacts as a result of the lava flow.

Thank you for the opportunity to provide this testimony.